

LINCOLN CITY/LANCASTER COUNTY PLANNING STAFF REPORT

for September 28, 2005 PLANNING COMMISSION MEETING

- PROJECT:** Miscellaneous #05016
North 56th Street and Arbor Road: Substandard and Blight Determination Study
- PROPOSAL:** Mark Hunzeker, on behalf of Developments Unlimited has forwarded a request to review the *North 56th Street and Arbor Road: Substandard and Blight Determination Study* and to recommend the Redevelopment Area be declared substandard and blighted.
- CONCLUSION:** The North 56th Street and Arbor Road Redevelopment Area qualifies as substandard and blighted within the definition set forth in the Nebraska Community Development Law, NEB REV STAT § 18-2103, as determined by the *North 56th and Arbor Road: Substandard and Blight Determination Study*. The Substandard and Blight Determination Study is consistent with the redevelopment and revitalization activities identified in Lincoln-Lancaster County 2025 Comprehensive Plan.

RECOMMENDATION:	Finding that there is a reasonable presence of substandard and blighted conditions in the Redevelopment Area as per § 18-2103 (11) Nebraska Revised Statutes.
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GENERAL INFORMATION:

- LOCATION:** An area generally bounded by N. 70th Street on the east, N. 40th Street on the west, either side of Interstate 80, between Bluff Road on the north and Salt Creek on the south, except the Bluff Road Landfill Facility.
- PURPOSE:** Nebraska Community Development Law, NEB REV STAT § 18-2109 requires the Planning Commission to review whether an area is substandard and blighted. A recommendation of the Planning Commission is required to be provided to the City Council prior to a redevelopment area being declared blighted and substandard.
- LEGAL DESCRIPTION:** See Appendix.

COMPREHENSIVE PLAN SPECIFICATIONS:

The Comprehensive Plan identifies a variety of future land uses within this study area. Future land use designations include Urban Residential, Commercial, Environmental Resources, Industrial, a site specific Moderate to Heavy Industrial area, and a site specific Light Industrial/Employment Center area.

"Maximize the community's present infrastructure investment by planning for residential and commercial development in areas with available capacity. This can be accomplished in many ways including encouraging appropriate new development on unused land in older neighborhoods, and encouraging a greater amount of commercial space per acre and more dwelling units per acre in new neighborhoods." (P. F 17)

"Encourage mixed-use redevelopment, adaptive reuse, and in-fill development including residential, commercial and retail uses." (P. F 18)

"Preserve and enhance entryway corridors into Lincoln and Capitol View Corridors." (P. F 19)

"Commercial and Industrial Development Strategy

The commercial and industrial development strategy presented below seeks to fulfill two notable objectives: (1) the approach is designed to provide flexibility to the marketplace in siting future commercial and industrial locations; while at the same time (2) offering neighborhoods, present and future home owners, other businesses, and infrastructure providers with a level of predictability as to where such employment concentrations might be located. Balancing these two objectives in a meaningful way will require diligence, mutual understanding, and an ongoing planning dialogue." (P. F 37-38)

"Encourage renovation and reuse of existing commercial centers. Infill commercial development should be compatible with the character of the area and pedestrian oriented." (P. F 49)

"Maintain and encourage retail establishment and businesses that are convenient to, and serve, neighborhood residents, yet are compatible with, but not intrusive upon residential neighborhoods." (P. F 49)

"Encourage efforts to find new uses for abandoned, under utilized or "brownfield" sites that are contaminated." (P. F 49)

"Public infrastructure — including roads, water, sewer, parks, schools, libraries — is essential to the health, safety and welfare of the community. As the community grows, it is desirable that these systems and facilities be developed concurrently, — that is, at the same time— with that growth." (P. F 154)

ANALYSIS:

1. This is a request to determine whether the North 56th Street and Arbor Road Redevelopment Area should or should not be declared substandard and blighted per § 18-2103 (11) Nebraska Revised Statutes. After an area is declared substandard and blighted, the City may proceed with the preparation and approval of a Redevelopment Plan. Redevelopment activities may include utilizing Tax Increment Financing (TIF) from private development to pay for public infrastructure and improvements.
2. A Consultant was hired by Developments Unlimited to conduct the study to determine whether or not there was a presence of substandard or blighting conditions in the study area per § 18-2103 (11) Nebraska Revised Statutes.
3. The Redevelopment Area comprises 1,873.3 acres. According to the zoning district categories identified in the Blight Study, approximately 76% of the land is either vacant, agricultural, or acreages, 10% is public right-of-way, and 14% is in commercial or industrial uses. (Page 7)
4. According to the Blight Study, there are 11 single family homes (average age 72 years) and 15 non-residential structures (average age 12 years) in the study area. There are 31 accessory structures in the study area. (Pages 9-10) Other than evaluating the year of construction, a detailed exterior survey of the condition of the each structure was not undertaken.
5. The majority of the land within the Redevelopment Area is not within the City of Lincoln corporate limits.
6. Mark Hunzeker, attorney for Developments Unlimited, noted in his September 8th, 2005 letter that the purpose of the blight study is "to provide visible, easily accessible sites for residential, commercial and industrial/employment center uses."
7. A Change of Zone, Preliminary Plat and Annexation Agreement for the Northbank Junction subdivision development, located in the southwest portion of the study area is pending City Council review and hearing. This development proposes additional urban residential and commercial land uses, that are not part of the land use calculation shown above in Item 3.

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8. While, Northbank Junction is located within the blight study area, city staff does not intend to include planned residential subdivisions in new growth areas within designated redevelopment areas in order to pay for internal improvements. Northbank Junction may not necessarily be included in a larger TIF district to generate revenues for infrastructure improvements to the larger commercial and industrial area.
9. The applicant, Developments Unlimited, has proposed a several hundred acres of commercial and industrial development on the north side of Interstate 80, west of N. 56th Street (Highway 77). Over 225 acres were included in the Future Service Limit and designated as industrial as part of Comprehensive Plan Amendment #05009 approved on June 20th, 2005.
10. The majority of the study area is located outside the corporate limits of the City of Lincoln, thus urban utilities and services such as water and sewer are not currently available in the study area.
11. All of the land is within the City's Future Service Limit (FSL), except for a portion that is east of N. 40th Street, between Bluff Road and I-80. The FSL is the boundary reflecting where urban services are to be provided in the future. Today, water and sewer services are provided by private on-site systems within the study area.
12. The applicant has proposed the add the land northeast of N. 40th & I-80 to the Future Service Limits and have it designated for future industrial and commercial development with a small area of residential at south of Bluff Road. This blight study is proposed by the applicant as part of their plan to develop the area north of Interstate 80, which is also why the additional land outside of the FSL is included in the blight study by the applicant. The determination of the expansion of the Future Service Limit is being reviewed separately.
13. A sizeable portion of the study area is designated Tier I Priority A, which indicates that urban utility and services are planned to be provided by the year 2014. Tier I Priority B (i.e., approximately 2014-2025) and Tier II (i.e., beyond 2025) are currently designated for the western third of the study area. This timeline is not static and may change in the future.
14. The Blight Study states the area has developed without adequate land subdivision review and planning. The result is the existence of piecemeal development, the creation of oversized lots and irregular shaped parcels, parcels without adequate consideration for proper design, drainage, or future streets and utilities, interior lots without access to public streets, residential uses mixed in with non residential uses, and businesses without street addresses reflective of their location. (Page 12)

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15. The Blight Study asserts that the ownership diversity and patterns, as well as the unusual condition of condominium ownership of land parcels, complicates assemblage of land for redevelopment purposes. (Page 12)
16. The Blight Study identified an unsafe site condition consisting of contamination from a leaking underground petroleum storage tank at the northeast corner of North 56th Street and Arbor Road.
17. A **substandard** area is defined in the Nebraska Revised Statutes as containing a predominance of buildings or improvements with at least one of four conditions present:
 1. Dilapidation/deterioration
 2. Age or obsolescence
 3. Inadequate provision for ventilation, light, air, sanitation or open spaces
 4.
 - a) High density of population and overcrowding; or
 - b) The existence of conditions which endanger life or property by fire and other causes; or
 - c) Any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals or welfare.
18. According to the Blight Study, the area qualifies as **substandard** because several of the factors were found to be present in the study area. (Page 18)
19. A **blighted** area is defined in the Nebraska Revised Statutes as having the presence of one or more of twelve of the following conditions:
 1. A substantial number of deteriorated or deteriorating structures;
 2. Existence of defective or inadequate street layout;
 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
 4. Insanitary or unsafe conditions;
 5. Deterioration of site or other improvements;
 6. Diversity of ownership;
 7. Tax or special assessment delinquency exceeding the fair value of the land;
 8. Defective or unusual conditions of title;
 9. Improper subdivision or obsolete platting;
 10. The existence of conditions which endanger life or property by fire or other causes;

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11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability;
 12. Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:
 - a) Unemployment in the designated blighted area is at least one hundred twenty percent of the state or national average;
 - b) The average age of the residential or commercial units in the area is at least 40 years;
 - c) More than half of the plotted and subdivided property in the area is unimproved land that has been within the City for 40 years and has remained unimproved during that time;
 - d) The per capita income of the designated blighted area is lower than the average per capita income of the city or City in which the area is designated; or
 - e) The area has had either stable or decreasing population based on the last two decennial censuses.
20. According to the Blight Study, the consultant determined that **eight** of the blighting factors were present in the study area. (Page 18)
21. The **eight** blighting factors found to be present in the study area include:
- # Existence of defective or inadequate street layout;
 - # Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
 - # Insanitary or unsafe conditions;
 - # Diversity of ownership;
 - # Defective or unusual conditions of title;
 - # Improper subdivision or obsolete platting;
 - # Deterioration of site or other improvements; and,
 - # Conditions which endanger life or property by fire and other causes.
22. The Substandard and Blight Determination Study is consistent with revitalization activities outlined in the Lincoln-Lancaster County 2025 Comprehensive Plan. Sites within the study area meet the locational and land use considerations for new employment centers and industries seeking to expand or locate in Lincoln. Parts of the area fulfill a number of key locational criteria for industries the community is targeting.

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23. It is the conclusion of the Consultant that sufficient conditions and factors meet the criteria of substandard and blight as evidenced in the Blight Study. These factors present a serious barrier to the planned and coordinated development of the area, have created an environment that negatively impacts private sector investment in the area, and serve as a detriment to the overall healthy economic and physical growth of the community. The findings of this Substandard and Blight Determination Study find this area eligible for designation as substandard and blighted. (Page 20)
24. The Blight Study is on file with the Urban Development Department and the Planning Department.

Prepared by:

Duncan L. Ross, AICP, 441-7603, dross@lincoln.ne.gov
Planner

DATE: September 20, 2005

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Phone: 476-7621

CONTACT: Wynn Hjermstad
Urban Development Department
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Lincoln, NE 68508
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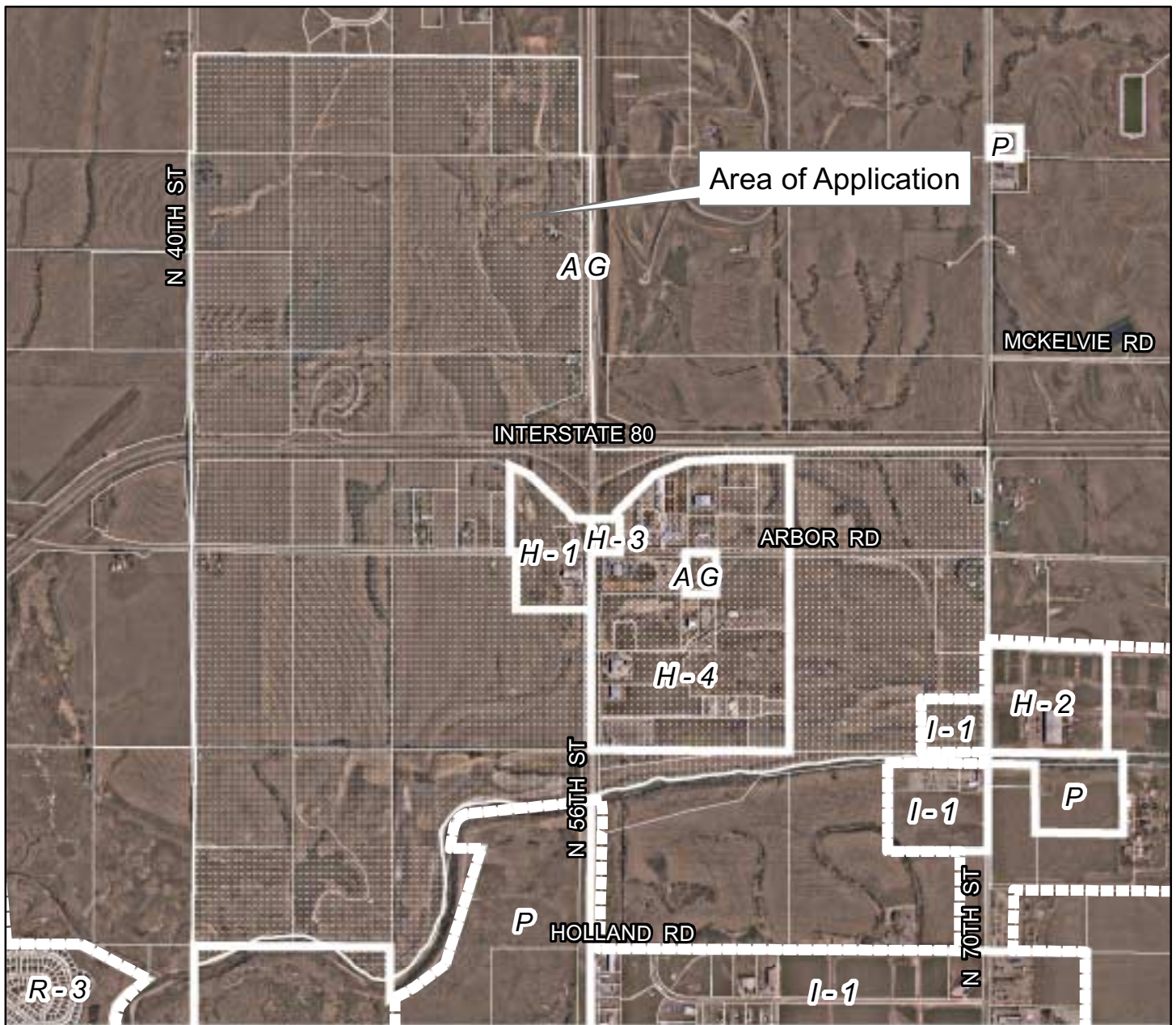
Darl Naumann
Economic Development Aide/ Office of the Mayor
555 S. 10th Street, Suite 208
Lincoln, NE 68508
Phone: 441-7514

North 56th and Arbor Road: Substandard and Blight Determination Study

Legal Description

Appendix

Lots 3 and 12, Irregular Tracts located in Section 20; also Lot 11, Irregular Tracts located in the Southeast Quarter and the Southeast Quarter of the Northwest Quarter of Section 20; also an irregular tract located in the Southwest Quarter of the Northeast Quarter of Section 20; also an irregular tract located in the Southwest Quarter of the Northwest Quarter of Section 20; also an irregular tract located in the Northwest Quarter of the Southwest Quarter of Section 20; also an irregular tract located in the Southwest Quarter of the Southwest Quarter of Section 20; also Lots 3, 10, 17, 19, 24, 27, 31, 32, 35, 37, 40, 42, and 43, Irregular Tracts in Section 28; also a tract of land located in Lot 38, Irregular Tracts, in the Southwest Quarter of Section 28 and more particularly described by metes and bounds as follows: Beginning at the Southwest corner of said Lot 38, Irregular Tracts; thence North 00 degrees 17 minutes 49 seconds West, (assumed), on the West line of said Lot 38, a distance of 437.57 feet; thence South 89 degrees 59 minutes 26 seconds East, a distance of 1,177.81 feet; thence South 07 degrees 20 minutes 38 seconds East, a distance of 68.14 feet; thence South 01 degrees 08 minutes 01 seconds East, a distance of 81.19 feet; thence South 89 degrees 32 minutes 39 seconds East, a distance of 189.61 feet; thence South 00 degrees 00 minutes 004 seconds West, a distance of 288.90 feet; thence North 89 degrees 55 minutes 31 seconds West, a distance of 1,315.45 to the point of beginning. . . ; also Lots 2, 7, 11, 23, 26, 28, 29, 30, 31, 32, 33, 35, 36, 37, and 38, Irregular Tracts in Section 29; also Tract for Hiway located in the Northwest Quarter of Section 29 and .76 acres in the Northwest Quarter and Lot 6 in the Northwest Quarter and Lot 3 in the Northwest Quarter of Section 29, except the West 50 feet and the North 70.01 feet thereof; also Lots 1 and 2, Finigan Brothers Addition, Lancaster County, Nebraska; also Lots 10, 11, 12, and 29, Irregular Tracts in Section 32; also an irregular tract located in the Southwest Quarter of the Northwest Quarter of Section 32; also an irregular tract in the Northwest Quarter of the Northwest Quarter of Section 32; also the North ½ of the Southwest Quarter of Section 32; also that portion of the North ½ of the Southwest Quarter of Section 32 lying north of Salt Creek; also Lot 29, Irregular Tracts in the Northwest Quarter of Section 33, excepting the road; also that portion of Lot 28, Irregular Tracts in the Northwest Quarter of Section 33 located north of Salt Creek; also that part of the east 60 feet of Lot 1, Irregular Tracts, Section 31, located north of Salt Creek; also the east 60 feet of Lot 5, Irregular Tract in the Northeast Quarter of Section 31; also the east 60 feet of a tract of land located in Lot 37 of Irregular Tracts in the Southeast Quarter of Section 30; also the east 60 feet of Lot 61 in the Northeast Quarter of Section 30; also the east 60 feet of the Northwest Quarter of the Northeast Quarter & Lots 24, 25, 26, 32, 56, & 57 in the North ½ of Section 30; also the east 60 feet of Lot 8 in the Southeast Quarter of Section 19; also the east 60 feet of the North ½ of the Southeast Quarter of Section 19; also east 60 feet of the South ½ of the Northeast Quarter of Section 19. All situated in Township 11 North, Range 7 East of the 6th P.M. Lancaster County, Nebraska. Also the following condominium units: Units A, B, C, and D, Arbor Road Condominium (AKA Parrott Addition), Lancaster County, Nebraska; Units 1 through 6, Arbor Road Second Addition Condominium, Lancaster County, Nebraska; Units A through G, Knaub Business Park, Lincoln, Lancaster County, Nebraska; and Units 1 through 3, BTW Business Park, Lancaster County, Nebraska.



2005 aerial

Miscellaneous #05016 N. 56th & Arbor Rd.

Zoning:

R-1 to R-8	Residential District
AG	Agricultural District
AGR	Agricultural Residential District
R-C	Residential Conservation District
O-1	Office District
O-2	Suburban Office District
O-3	Office Park District
R-T	Residential Transition District
B-1	Local Business District
B-2	Planned Neighborhood Business District
B-3	Commercial District
B-4	Lincoln Center Business District
B-5	Planned Regional Business District
H-1	Interstate Commercial District
H-2	Highway Business District
H-3	Highway Commercial District
H-4	General Commercial District
I-1	Industrial District
I-2	Industrial Park District
I-3	Employment Center District
P	Public Use District

Six Square Miles

Sec. 20 T11N R7E

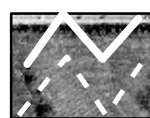
Sec. 21 T11N R7E

Sec. 28 T11N R7E

Sec. 29 T11N R7E

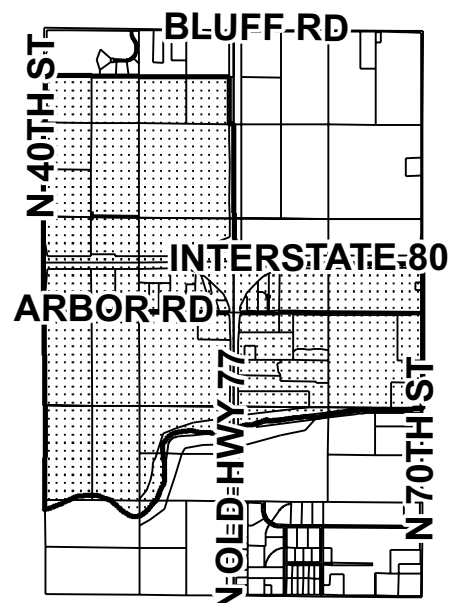
Sec. 32 T11N R7E

Sec. 33 T11N R7E



Zoning Jurisdiction Lines

City Limit Jurisdiction





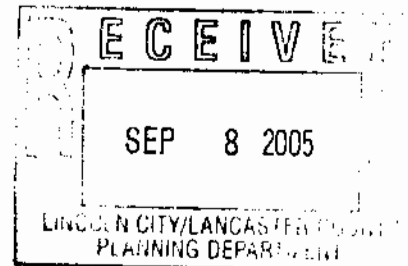
**CITY OF LINCOLN
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MAYOR COLEEN J. SENG

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September 7, 2005



Marvin Krout, Director
City of Lincoln-Lancaster County Planning Department
555 S. 10th
Lincoln, NE 68508

Dear Marvin:

Enclosed is the North 56th Street and Arbor Road Substandard and Blight Determination Study. The Study was completed in August, 2005 by Julie Poykko-Post, AICP and Jim Caruso, AICP at the request of Mark Hunziker. Also enclosed is a letter from Mark Hunziker, on behalf of his client requesting the Study be considered by the Lincoln Lancaster County Planning Commission for conformity with the Comprehensive Plan.

Please forward the Study to the Planning Commission for their earliest consideration. My understanding is that it should be on the September 28, 2005 Planning Commission agenda.

If you have questions or need additional information, please contact Troy Gagner at 441-7862 or by e-mail at tgagner@lincoln.ne.gov.

Sincerely,

Wynn S. Hjermstad, AICP
Community Development Manager

cc: **Marc Wulschleger, Urban Development Director**
Troy Gagner, Economic Development Coordinator/Project Manager
Darl Naumann, Economic Development Coordinator, Mayor's Office

enc.

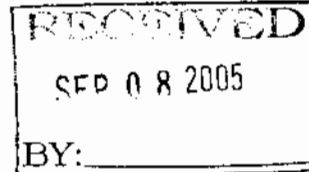
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September 8, 2005



Marc Wullschleger
City of Lincoln
Department of Urban Development
808 P Street, Suite 400
Lincoln, NE 68508

Re: Blight Study N. 56th & Interstate 80 area

Dear Marc:

Pursuant to our discussions with you, Darl Naumann, Marvin Krout, and other city staff, our client, Developments Unlimited, retained Julie Poykko-Post and Jim Caruso to prepare a blight study of the area surrounding the intersection of North 56th Street and Interstate 80. The boundaries of the study include the land between North 40th Street and North 70th Street lying south of the Interstate, and between North 40th Street and Highway 77 from I-80 to approximately one-quarter mile south of Bluff Road.

The study found that development which is occurring in the general area, without the benefit of comprehensive planning, public utilities and adherence to land subdivision regulations, presents itself as an economic liability. The area meets the criteria of substandard and blighted according to the relevant state statutes, and that those factors and conditions present a serious barrier to planned and coordinated development of the area. The study further finds that authorization should be granted to proceed with the preparation of a redevelopment plan in accordance with the Nebraska Community Development Law.

As we have discussed in our meetings, this area presents an opportunity for the City of Lincoln to provide visible, easily accessible sites for residential, commercial and industrial/employment center uses. Use of the City's redevelopment tools could transform the area from its current state into an attractive, vibrant area..

Pierson, Fitchett, Hunzeker, Blake & Katt

Mark Wulschleger
September 8, 2005
Page 2

Please review the attached blight study and forward it to the Planning Department for scheduling on the Planning Commission and City Council agendas for approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Hunzeker", with a stylized, cursive script.

Mark A. Hunzeker
For the Firm

MAH:la
Enclosure

(G:\WPData\MH\JTS LLC - Developments Unlimited 5522.001\Developments Unlimited - Wulschleger 9-7-5.wpd)